

ILLINOIS INTERNATIONAL PORT DISTRICT

**Summary Record of Proceedings
of the
REGULAR BOARD MEETING
February 15, 2019**

The Regular meeting of the Board of Directors of the Illinois International Port District and Committee meetings were held Friday, February 15, 2019, at 3600 E. 95th Street, Chicago, Illinois.

The roll was called at 9:00 am. The following Directors were present: Michael Forde, Terry Sullivan, Ray Suarez, Aaron Del Mar, Charles Bowen, Henry Wisniewski, Paul Chialdikas, and William Habel. A quorum was present.

Terry Fitzmaurice attended the meeting via teleconference.

Also present: Clayton Harris III, Executive Director; Counsel Brad Smith, Neal and Leroy; Kurt Oelerich, Treasurer.

General public present: Jeff Holt, BMO, T. Hawley, Indiana, Illinois, Iowa FFC, Beth Dybala, CAIC, Jennifer Bransfield, Chicago Neighborhood Initiative, Mike Puente, WBEZ, Joan Coogan, City of Chicago.

Chairman Forde made a motion to allow Mr. Fitzmaurice to attend the meeting via teleconference. The motion was seconded by Mr. Bowen and the motion passed unanimously.

SUMMARY REPORT ON STANDING COMMITTEES

Committee Members Present:

Michael Forde
Paul Chialdikas
Chuck Bowen
Henry Wisniewski
Ray Suarez
Terry Fitzmaurice (via teleconference)

Others Present:

Clayton Harris III, Executive Director
William Habel
Terry Sullivan
Aaron Del Mar
Brad Smith, Neal & Leroy
Kurt Oelerich, Treasurer

LEASES AND AGREEMENTS COMMITTEE

The Leases and Agreements Committee was held on Friday, February 15, 2019.

EXECUTIVE SESSION

Chairman Forde made a motion to enter Executive Session to discuss: Clean Harbors, Tenant Update, Leases, Contracts, Master Lease RFP and Letter of Credit (Finance and Personnel). The motion was seconded by Mr. Bowen and the motion carried unanimously.

Old Business

Clean Harbors Update - Executive Session
Tenant Updates and Contract Updates - Executive Session
Master Lease RFP - Executive Session

Following discussion, Chairman Forde made a motion to exit Executive Session. The motion was seconded by Mr. Suarez and the motion passed unanimously.

After discussion, the Committee recommended the Board of Directors approve the revised and updated NASCO lease agreement with a five year term, subject to Chairman Forde's review.

New Business

Prevailing Wage

Chairman Forde summarized the Prevailing Wage Act. The Chairman stressed the importance of making sure the Port is in compliance with the existing law and its requirements.

Committee members discussed appropriate ways to determine the Port's responsibilities and obligations of compliance. After discussion, the Committee recommended the Board of Directors direct Counsel Smith to contact the Illinois Attorney General and request their opinion and direction on conformance.

Dockside Steel

The Executive Director reported Dockside Steel is again in arrears regarding its monthly rent payments. After discussion, the Committee recommended the Board of Directors direct Counsel Smith to issue a five-day notice to Dockside Steel and asked the Executive Director to keep the Board up-to-date on the rental payment status.

There being no further business, Chairman Forde closed the Leases and Agreements Committee and opened the Finance and Personnel Committee Meeting.

FINANCE AND PERSONNEL COMMITTEE

The Finance and Personnel Committee was held on Friday, February 15, 2019.

Old Business

Monthly Financial Reports and Financial Update

Treasurer Oelerich presented the January 2019 financial reports for review. A number of points were noted and discussed, including:

- The January 2019 revenue fell slightly below the budgeted amount.
- The January 2019 monthly total expense fell below the budgeted monthly amount.
- The January 2019 Net Income exceeded the budgeted amount.

The Treasurer pointed out the annual sinking fund payment has been transferred.

Following discussion, the Committee recommended approval of the January Financial Reports by the Board of Directors.

The Treasurer pointed out there is an option to pay down the debt from the sinking fund account. Mr. Holt recommended to hold off on this until the Master Lease responses are reviewed, noting his expectations that responses may include paying down the debt.

Letter of Credit

Executive Session

New Business

Dockage and Wharfage Audit

Treasurer Oelerich reported he has collected information from the Baker and Tilly regarding performing an audit of tenant dockage and wharfage accounting. The fee to perform an audit on one-year of information is approximately \$2,500. The estimated fee for a three year audit would range from approximately \$4,000 to \$5,000. The fees may require revision based on the agreed upon scope.

Chairman Forde requested Treasurer Oelerich draft a service agreement with a fee not to exceed \$5,000 and submit it to Counsel Smith for review. If the agreement is approved by Counsel Smith, the Committee recommended the Board of Directors approve proceeding with the audit.

Executive Director Report

The Executive Director reported:

- Transfer Logistics is closing its business and in the process of vacating its space on Iroquois Landing.
- CMAP has received 8 responses to the Master Planning RFP and has extended the date for responses to February 20, 2019.
- He continues to work on the Butler Drive project including the rail contract with Swanson.
- The Solar Project negotiations are not progressing well and the project may be cancelled.
- He is working to implement electronic auto-pay for payments and invoices.
- He has met with Speaker Madigan regarding the Port's inclusion in the State's capital bill.
- He has met with Representative Walker regarding HB903/904 and an extension of FTZ 22.
- He attended and spoke at the Cleveland AGLPA meeting.
- He has met with the Army Corp of Engineers regarding the CDF options.
- He is talking with Shark Minnow regarding assisting in certain marketing areas, including the Port's website.

There being no further business for the Finance and Personnel Committee, Chairman Forde closed the Finance and Personnel Committee and opened the Regular Board Meeting.

REGULAR BOARD MEETING

The following Directors were present: Michael Forde, Terry Sullivan, Charles Bowen, Ray Suarez, Henry Wisniewski, Paul Chialdikas, William Habel, and Aaron Del Mar. A quorum was present. Mr. Fitzmaurice attended via teleconference.

ADOPTION OF MINUTES – Board Minutes January 18, 2019

The Minutes of the January 18, 2019 Board Meeting were presented. Chairman Forde made a motion to approve the January Minutes. The motion was seconded by Mr. Wisniewski and the motion passed unanimously.

Leases and Agreements Committee Report – Items Requiring Action

Chairman Forde reported the Committee recommended the Board approve directing Counsel Smith to contact the Illinois Attorney General's Office for direction and legal guidance regarding compliance with the Prevailing Wage Act. Chairman Forde made a motion directing Counsel Smith to contact the Attorney General's Office. Mr. Bowen seconded the motion and the motion passed unanimously.

Chairman Forde reported the Committee recommended the Board approve a Resolution creating an Evaluation Committee to review the four responses to the Master Lease RFP. Chairman Forde made a motion approving the Resolution creating the Evaluation Committee. Mr. Suarez seconded the motion and the motion passed unanimously.

Chairman Forde reported the Committee recommended the Board direct Counsel Smith to issue a five day notice to Dockside Steel regarding non-payment of rent. Chairman Forde made a motion to direct Counsel Smith to issue the five day notice. Mr. Del Mar seconded the motion and the motion passed unanimously.

Chairman Forde reported the Committee recommended the Board approve the updated NASCO lease agreement, reflecting a five year term, subject to Chairman Forde's review. Chairman Forde made a motion approving the NASCO lease agreement, subject to his review. Mr. Suarez seconded the motion and the motion passed unanimously.

Finance and Personnel Committee Report – Items Requiring Action

Chairman Forde reported the Committee recommended the Board of Directors approve the January 2019 Financial Reports. Chairman Forde made a motion to approve the January 2019 Financial Reports. Mr. Suarez seconded the motion and the motion passed unanimously.

Executive Director Report

See Committee Minutes.

PUBLIC COMMENT

No comments from the attending public.

ADJOURNMENT

With no other business before the Board, Chairman Forde made a motion to adjourn. The motion was seconded by Mr. Suarez, and the motion passed unanimously.

The next Committee meetings and regular Board meeting will take place on Friday, March 15, 2019. The meetings will be held at 9:00 am at 3600 E. 95th Street, Chicago, IL.


Michael Forde
Chairman


Kathleen Dart
Secretary